

ORIGINAL

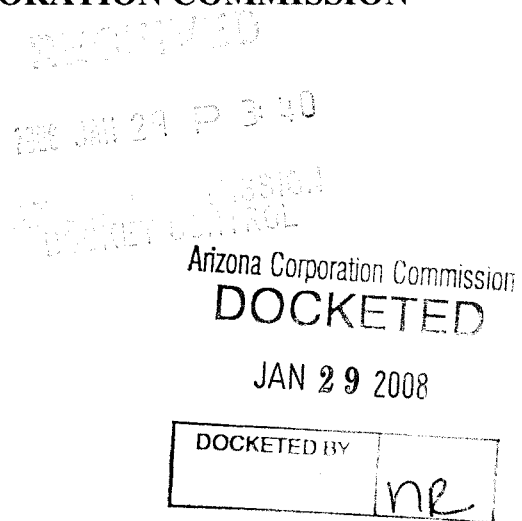


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2802

BEFORE THE ARIZONA CORPORATION COMMISSION

MIKE GLEASON
CHAIRMAN
JEFF HATCH-MILLER
COMMISSIONER
WILLIAM MUNDELL
COMMISSIONER
KRISTIN K. MAYES
COMMISSIONER
GARY PIERCE
COMMISSIONER



IN THE MATTER OF THE
APPLICATION OF PICACHO PEAK
WATER CO., INC, AN ARIZONA
CORPORATION, FOR A RATE
INCREASE

Docket No. W-02351A-07-0686

**RESPONSE TO LETTER OF
INSUFFICIENCY**

Picacho Peak Water Company, Inc. ("Company"), hereby responds to Arizona
Corporation Commission Staff's Letter of Insufficiency dated January 14, 2008, as
follows:

1. Please complete Water Company Plant Description for your application described
for each well on Page 16 of the application for the Casing Diameter, Meter Size, and
Year Drilled.

Answer.

	Pump HP	Pump Yield	Casing Depth	Casing Diameter	Meter Size	Year Drilled
55-623405	10	64	350	12	2"	1963
55-623406	10	82	475	12	2"	1971

1 2. Please indicate whether there are any fire hydrants as required on Page 16 of the
2 application.

3 **Answer.** There are no fire hydrants.

4 3. Page 16 of the application indicates that there are two wells in service. Please
5 provide a copy of the most recent lab analysis result for arsenic levels for each well as
6 required on Page 12.

7 **Answer.** Currently, only well no. 55-623406 is in service. Well no. 55-623405 is
8 essentially a back-up well. An arsenic sample from well no. 55-623406 was last taken on
9 February 28, 2007. Test results showed .003 mg/l of arsenic. See Exhibit 1.
10

11 4. Please list the utility owned assets as required on Page 17 of the application
12 concerning Treatment Equipment, Structures and Other. If "none" please state "none".

13 **Answer.** Currently, the Company does not own treatment equipment, so the
14 answer is "none". The only structure owned by the Company but not included in the
15 Application is a 6-foot fence, approximately 500 linear feet long, used to protect the well
16 site and storage facilities.
17

18
19 5. Please describe the status of the "broken" well meter shown on Page 18 of the
20 application.

21 **Answer.** The meter's impeller is inoperable. The company is in the process of
22 replacing the meter, which will likely cost more than \$1,000.
23

24 6. Please provide a detailed construction work plan to include the projects associated
25 with the proposed financing of \$150,000 to remove nitrates and all associated costs by
26 project.

27 **Answer.** The Company does not have a detailed construction work plan
28 associated with the proposed project yet. As you know, the Company and ADEQ have

1 agreed that the most economically feasible plan is to install reverse osmosis systems at
2 specific points where drinking water is most likely dispensed. The Company needs the
3 WIFA loan to hire the engineer to develop the work plan and determine the exact
4 treatment plant size, location, and capacity for each customer.
5

6
7 7. Please explain how the estimate in No. 6 [sic] was determined.

8 **Answer.** The Company estimates that it needs \$150,000 to construct adequate
9 treatment based upon general discussions with ADEQ staff, engineers, and vendors of
10 treatment equipment. The Company believes that the \$150,000 estimate is conservative
11 and ensures there is enough funding available to construct adequate facilities.
12

13
14 8. Page 6 of the application states that Pinal County is going to forgive the back
15 property taxes owned by the Company. Please supply any available documentation that
16 supports the application.

17 **Answer.** Based upon recent conversations with Pinal County, it is clear Pinal
18 County will not forgive the delinquent taxes. The Company is working to establish a
19 payment schedule to pay the delinquent taxes.
20

21 DATED this 29th day of January, 2008.
22

23 **MOYES STOREY, LTD.**

24 

25 Steve Wene
26 1850 North Central Avenue, Suite 1100
27 Phoenix, AZ 80004
28 (602) 604-2189

1 **Original and thirteen** copies filed this
2 29th day of January, 2008, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington
6 Phoenix, Arizona 85007

7 Donnelly Herbert
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EXHIBIT 1

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY
DRINKING WATER INORGANIC CHEMICAL ANALYSIS REPORT

SAMPLES TO BE TAKEN AT POE ONLY

11038
SYSTEM ID
2/28/2007
SAMPLE DATE
BILLY HUTTON
OWNER/CONTACT PERSON NAME
POE001
SAMPLING SITE ID

Picacho Peak Water Co
SYSTEM NAME
8:52
SAMPLE TIME (24 HR CLOCK)
520-466-52503
OWNER/CONTACT PERSON PHONE NUMBER
OWNER/CONTACT FAX NUMBER

SAMPLE COLLECTION POINT
☐ 001 POINT OF ENTRY ID NUMBER

SAMPLE TYPE
☒ COMPLIANCE MONITORING

FOR MCL OR COMPOSITE LEVEL EXCEEDANCE

Original Violation Specimen Number

SAMPLE TYPE
☐ CONFIRMATION-MCL
☐ CONFIRMATION FOR COMPOSITE

INORGANIC CHEMICAL ANALYSIS

>>>TO BE FILLED OUT BY LABORATORY PERSONNEL<<<

ANALYSIS METHOD	MCL	REPORTING LIMIT	CONTAMINANT NAME	CONT. CODE	ANALYSIS RUN DATE	RESULT	EXCEEDS MCL	EXCEEDS REPORTING LIMIT
EPA200.8	0.01	0.01	Arsenic	1005	03/08/07	<0.0030		
EPA200.8	2	2	Barium	1010	03/08/07	0.0403		
EPA200.8	0.005	0.005	Cadmium	1015	03/08/07	<0.0020		
EPA200.8	0.1	0.1	Chromium	1020	03/08/07	<0.0050		
EPA300	4	2	Fluoride	1025	03/13/07	<0.50		
	0.002	0.002	Mercury	1035				
EPA353.2	10	5	Nitrate (as N)	1040	03/09/07	14 D2	YES	YES
M 4500-NO2	1	0.5	Nitrite (as N)	1041	03/01/07	<0.020		
EPA200.8	0.05	0.05	Selenium	1045	03/08/07	0.0046		
EPA200.8	0.006	0.006	Antimony	1074	03/08/07	<0.0020		
EPA200.8	0.004	0.004	Beryllium	1075	03/08/07	<0.0005		
	0.2	0.2	Cyanide (as free cyanide)	1024				
EPA200.8	No MCL		Nickel*	1036	03/08/07	<0.0050		
EPA200.8	0.002	0.002	Thallium	1085	03/08/07	<0.0005		
	No MCL		Sodium*	1052				

LABORATORY INFORMATION

>>>>TO BE FILLED OUT BY LABORATORY PERSONNEL<<<<

Speciman Number: 0703005-01A

Lab ID Number: AZ0133

Name: Transwest GeoChem

Comments:

Authorized Signature: *R. Mosher*

Date Public Water System Notified:

****All units must be reported in milligrams per liter (mg/L)**

*Unregulated contaminants

All units must be reported in milligrams per liter (mg/l).

DWAR 2IN: Revised 2003

Page 1 of 1

MAP 2007

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY
DRINKING WATER COMPOSITE INORGANIC CHEMICAL ANALYSIS REPORT
 SAMPLES TO BE TAKEN AT POE ONLY

	PWS#	POE#	Sample Date/ Time	
#1	11042	001	2/28/2007	6:18
#2	11334	001	2/28/2007	6:55
#3	11038	001	2/28/2007	8:52
#4				
#5				

System Name
Picacho Water Improvement Corp
Sunland Water Company
Picacho Peak Water Co

#1 ED KILE 520-466-7836
 Owner/Contact Person & Phone Number

#2 JAMES LITTLE 520-836-0267
 Owner/Contact Person & Phone Number

#3 BILLY HUTTON 520-446-5203
 Owner/Contact Person & Phone Number

#4
 Owner/Contact Person & Phone Number

#5
 Owner/Contact Person & Phone Number

Compliance Sample Type

☐ > 3,300 Population

☒ < 3,300 Population

INORGANIC CHEMICAL ANALYSIS

>>>TO BE FILLED OUT BY LABORATORY PERSONNEL<<<

ANALYSIS METHOD	MCL	REPORTING LIMIT	CONTAMINANT NAME	CONT. CODE	ANALYSIS RUN DATE	RESULT	EXCEEDS MCL	EXCEEDS REPORTING LIMIT
EPA245.1	0.01	0.002	Arsenic	1005				
	2	0.4	Barium	1010				
	0.005	0.001	Cadmium	1015				
	0.1	0.02	Chromium	1020				
	4	0.8	Fluoride	1025				
	0.002	0.0004	Mercury	1035	03/05/07	<0.0002		
	10	2	Nitrate (as N)	1040				
	1	0.2	Nitrite (as N)	1041				
	0.05	0.01	Selenium	1045				
	0.006	0.0012	Antimony	1074				
SM4500-CN CE	0.004	0.0008	Beryllium	1075				
	0.2	0.04	Cyanide (as free cyanide)	1024	03/12/07	<0.010		
	No MCL		Nickel*	1036				
	0.002	0.0004	Thallium	1085				
	No MCL		Sodium*	1052				

LABORATORY INFORMATION

>>>>>TO BE FILLED OUT BY LABORATORY PERSONNEL<<<<<

Speciman Number: 0703014-01A

Lab ID Number: AZ0133

Name: Transwest GeoChem

Comments:

Authorized Signature:

Date(s) Public Water System(s) Notified:

#1 _____

#2 _____

#3 _____

#4 _____

#5 _____

MAP 2007

****All units must be reported in milligrams per liter (mg/L)**

*Unregulated contaminants

All units must be reported in milligrams per liter (mg/l).

DWAR 10:


Revised 2003

C

Chain of Custody

ADEQ MAP PROGRAM

S Q X A

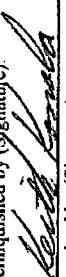
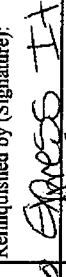



Transwest Geochem, Inc.		System Name: PICACHO PEAK WATER CO	
3725 E. Atlanta Ave., Ste. 2		System #: 11038	
Phoenix, AZ 85040		TGI WO# 0703005	
602-437-0330 Phone		Sampling Site: Tucson	
602-437-0660 Fax		Sampler's Name: Ralph Smith	
		Sampler's Signature: 	

EPDS	Date	Time	Matrix	Lab ID	524.2 (3-40 mL vials/ascorbic & HCl)	As, Ba, Cd, Cr, Hg, Se, Sb, Be, Ti, Ni (500 mL poly, HNO3)	X	Fluoride (125 mL poly, unpreserved)	X	CN (250 mL poly/NaOH)	504.1 (2-40 mL vials/Na2S2O3)	508.1 (1-1L gl. amber/sod. sulfite&HCl)	515.4 (2-250 mL glass amber/Sod Sulfite)	525.2 (2-1L gl. amber/sod. sulfite&HCl)	531.1 (2-40mL vials/monochloroacetic acid buffer/Na2S2O3)	547 (2-125 mL amber glass/Na2S2O3)	548.1 (2-1L. amber glass, unpreserved)	549.2 (1L poly amber/Na2S2O3)	Dioxin (2-1L glass amber)	Sodium (500 mL poly, HNO3, not needed if metals collected)	X	Nitrate (1 125 mL poly, H2SO4)	X	Nitrite (1-125 mL poly, unpreserved)	Asbestos (1 L poly, unpreserved)	Gross Alpha (1 4L cubitainer, unpres)
001	3/28/07	2852	DW	01																						
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A

D-2 B

C D-1

Relinquished by (Signature): 	Date/Time: 3/16/07 09:00	Relinquished by (Signature): 	Date/Time: 3.1.07 15:00
Received by (Signature): 	Date/Time: 3/16/07 07:40	Received by (Signature): 	Date/Time: 3.1.07 15:00
Comments:  Express IT			
Note: Method 524.2 requires a trip blank			

Proj #: A11	Sample temperature: 0.4°C	System Pop. > 3300?	Y
Note:	32°		